Judy Martz, Governor

P.O. Box 200901 • Helena, MT 59620-0901 • (406) 444-2544 • www.deq.state.mt.us

November 30, 2004

ENVIRONMENTAL PROTECTION AGENCY

Ms. Danette Quick
U.S. Environmental Protection Agency
Region VIII, Montana Office
10 West 15th, Suite 3200
Federal Building
Helena, Montana 59626

DEC 6 2004 MONTANA OFFICE

Dear Ms. Quick:

We have enclosed the first quarterly report for the Libby Troy OU 7 NPL Site Cooperative Agreement which is for the fourth quarter of federal fiscal year 2004. The first award for this Agreement was made on September 1, 2004. There were no DEQ activities completed during the reporting period, and no expenses were incurred during the reporting period.

Please feel free to call if you have any questions regarding this report.

Sincerely,

Sandra Olsen, Administrator

Remediation Division

Dean A. Rude, Chief Financial Officer

Fiscal Service Unit

Enclosure

cc: Sandi

Sandi Olsen, RD Vic Andersen, RD

Deb Call, FS

Libby Troy OU 7 NPL SITE COOPERATIVE AGREEMENT (V-97801901-0) FFY 2004 - Fourth Quarter Report July 1, 2004 to September 30, 2004

This quarterly update is prepared in accordance with the special conditions of Cooperative Agreement No. V-97801901-0. The report details activities undertaken and expenses incurred during the reporting period. In November 1999, the EPA Region VIII Superfund Program initiated emergency response actions in Libby, Montana. Response activities focused on rapidly assessing the nature of the problem and taking immediate actions to eliminate high-priority sources of Libby asbestos. EPA listed the site in October of 2002 and subsequently designated DEQ as the lead agency for the OU 7 Contaminant Screening Study in September 2004.

Background

The Libby Asbestos Site is centrally located around Sections 3 and 10, T30N, R31W, Lincoln County, Montana. The Libby Asbestos Site includes a vermiculite mine, two former vermiculite processing centers (the former screening plant and the former export plant), the road between the former screening plant and the mine site (Rainy Creek Road), homes and other commercial properties in and around the city of Libby. The Libby Asbestos Site also includes the town of Troy located 18 miles west of Libby generally Sections 1, 2, 12 and 13, T31N, R34W.

Documents reviewed and/or prepared include:

• DEQ did not receive or review any OU 7 documents.

Activities include:

• DEQ did not engage in any OU 7 activities.

Travel, Meetings, Training and Field Activities:

• DEQ did not travel during this quarter.

Fiscal Information

DEQ did not incur any expenses for OU 7. The attached spreadsheet shows the current estimated budget.

QUARTERLY REPORT Libby Asbestos (Troy Operable Unit) A V-97801901-0	A/E 03721 Agreement	11/30/04 12:29 PM
FOR THE PERIOD 07/01/2004 thru	09/30/2004	·····
LIBBY ASBESTOS (TROY OPERABLE UNIT)		LIFE TO DATE
Expenditures Reported Prior Quarter		0.00
Expenditures for Current Quarter		
July 2004 August 2004 September 2004 PYA	0.00	0.00
Total Expenditures to Date	0.00	0.00
Encumbrances/Unliquidated Obligatio	ns	0.00
Total Obligations to Date Expenditures plus unliquidated oblig	ations	0.00
AWARD		27,000.00
BALANCE		27,000.00

For **S**ource Figures Reference ORG UNIT**S** - 474600 & 474699